

## DEBT SERVICE FUNDS

### GENERAL OBLIGATION DEBT CAPACITY

- Debt capacity based on percentage of assessed valuation
  - Assessed valuation of \$10,285,467,986 for 2006 tax year
- Legal limit of 7.5% of assessed value which is split equally between General Government, Parks and Open Spaces, and Utilities resulting in \$257 million for each category.

<b>Debt Type (\$ in millions)</b>	<b>Gen Govt</b>	<b>Open Spaces</b>	<b>Utility</b>	<b>City</b>
Legal Debt Limit	257.0	257.0	257.0	771.0
Debt Outstanding	42.5	0.0	0.0	42.5
Debt Remaining	214.5	257.0	257.0	728.5

- Within the 2.5% limit, Council may issue up to 1.5% of the City's assessed valuation without voter approval.

### DESCRIPTION OF REDMOND'S OUTSTANDING DEBT

#### General Obligation Debt

- Includes one voter approved levy, Council approved general obligation notes (Perrigo/Grasslawn loans), and the City Hall lease

<b>GENERAL OBLIGATION DEBT OUTSTANDING</b>					
As of January 1, 2007					
	Maturity Year	Interest Rate	Original Amount Issued	Redemptions To Date	Debt Outstanding
<u>Excess Levy (voted)</u>					
1994 Refunding/Fire Acquisition	2013	4.00-5.65%	9,310,000	7,575,000	1,735,000
<u>Regular Levy (non-voted)</u>					
			0	0	0
<u>Loans/Leases</u>					
Perrigo/Grasslawn Park Loans	2008	3.45%	4,476,423	2,936,821	1,539,602
City Hall Lease	2035	n/a	39,230,000	0	39,230,000
<b>Total Debt Outstanding</b>			<b>\$53,016,423</b>	<b>\$10,511,821</b>	<b>\$42,504,602</b>

### **Public Works Trust Fund Debt**

- State of Washington Public Works Trust Fund Loans are a direct responsibility of the City.
- Payments for the first six loans listed below are budgeted in the General Capital Investment Program while the last three loans listed are budgeted in the Water/Wastewater Operations and Maintenance Fund.

<b>PUBLIC WORKS TRUST FUND DEBT OUTSTANDING</b>					
As of January 1, 2007					
	Maturity Year	Interest Rate	Original Amount Issued	Redemptions To Date	Debt Outstanding
<b>Public Works Trust Fund Loans</b>					
Willows Road Loan	2015	3.00%	1,170,000	523,030	646,970
Avondale Road Improvements	2008	2.00%	714,100	637,888	76,212
West Lake Sammamish	2010	1.00%	1,000,000	783,282	216,718
Union Hill Road	2011	1.00%	700,000	504,661	195,339
76th/185th Intersection	2011	1.00%	683,689	494,158	189,531
148th Avenue	2013	3.00%	2,700,000	1,785,997	914,003
Avondale Sanitary Sewer	2007	3.00%	601,200	577,932	23,268
Redmond Tolt connect	2009	2.00%	1,000,000	878,841	121,159
Rose Hill Assumption	2009	1.00%	629,579	494,669	134,910
<b>Total Debt Outstanding</b>			<b>\$9,198,568</b>	<b>\$6,680,458</b>	<b>\$2,518,110</b>

### Special Assessment Bonds

- These bonds are for Local Improvement Districts (LIDs) which are contingent liabilities of the City, and therefore are not budgeted.
- These bonds are used to finance public improvements that benefit a specified group of property owners and are funded from the City collecting payments from these owners.

<b>SPECIAL ASSESSMENT DEBT OUTSTANDING</b>					
As of January 1, 2007					
	Maturity Year	Interest Rate	Original Amount Issued	Redemptions To Date	Debt Outstanding
<hr/> Special Assessment Bonds					
92-WS-56	2010	4.00-5.00%	1,241,035	656,035	585,000
91-OW-55	2011	4.10-5.50%	2,355,410	2,160,410	195,000
<hr/> <b>Total Debt Outstanding</b>			<b>\$3,596,445</b>	<b>\$2,816,445</b>	<b>\$780,000</b>

**DEBT SERVICES FUND – EXCESS LEVY**

**REVENUE SUMMARY BY OBJECT**

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
Beginning Fund Balance	238,726	238,726	0	954,186	715,460
Property Tax	3,982,593	3,982,593	0	598,012	(3,384,581)
<b>TOTAL REVENUES</b>	<b>\$4,221,319</b>	<b>\$4,221,319</b>	<b>\$0</b>	<b>\$1,552,198</b>	<b>(\$2,669,121)</b>

**EXPENDITURE SUMMARY BY OBJECT**

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
<b>Other Services</b>					
Debt Svc GO Bond Prin	2,935,000	2,935,000	0	430,000	(2,505,000)
Debt Svc GO Bond Int	332,133	332,133	0	168,012	(164,121)
Subtotal	3,267,133	3,267,133	0	598,012	(2,669,121)
<b>Ending Fund Balance</b>	954,186	0	(954,186)	954,186	0
<b>TOTAL EXPENDITURES</b>	<b>\$4,221,319</b>	<b>\$3,267,133</b>	<b>(\$954,186)</b>	<b>\$1,552,198</b>	<b>(\$2,669,121)</b>

**DEBT SERVICES FUND – PARK LOANS**

**REVENUE SUMMARY BY OBJECT**

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
Operating Transfer	1,645,610	1,645,610	0	1,592,945	(52,665)
<b>TOTAL REVENUES</b>	<b>\$1,645,610</b>	<b>\$1,645,610</b>	<b>\$0</b>	<b>\$1,592,945</b>	<b>(\$52,665)</b>

**EXPENDITURE SUMMARY BY OBJECT**

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
<b>Other Services</b>					
Debt Svc GO Bond Prin	1,645,610	1,645,610	0	1,592,945	(52,665)
<b>TOTAL BUDGET</b>	<b>\$1,645,610</b>	<b>\$1,645,610</b>	<b>\$0</b>	<b>\$1,592,945</b>	<b>(\$52,665)</b>